

PEDRO E. SEGARRA MAYOR

Testimony by Mayor Pedro E. Segarra

Delivered by Jared W. Kuplec, Chief of Staff

City of Hartford

House Bill 5160

An Act Establishing A Municipal Option to Abate Property Taxes for Small Businesses February 22, 2012, 10:00AM in Hearing Room 1B

Chairmen Cassano and Gentile, Ranking Members Fasano and Aman, Vice-Chairmen Coleman and Grogins and Members of the Planning & Development Committee:

It is an honor to appear before you today to offer testimony on House Bill 5160, AAE A Municipal Option to Abate Property Taxes for Small Businesses. This bill, in short, would permit for the expansion of the personal property abatement provisions as outlined in Connecticut General Statutes 12-81(t).

The City of Hartford – Connecticut's Capital City – is unique in many ways, and the system of taxation is one of them. More than 30 years ago, the General Assembly – at the prompting of City leadership and the Hartford delegation – passed differential assessment ratio legislation that created a significant imbalance between residential and commercial properties. While this system has protected the residential class, it has also caused a shift and an additional burden on the commercial classes.

Last year, due to the collaborative efforts of my administration, the Metro Hartford Alliance and Senator John Fonfara and Representative Matt Ritter, the General Assembly passed and the Governor signed legislation that would begin to reverse the trend of the last 30 years and hold the Mayor and City Council accountable for any future increases in spending. Over the last 20 months that I have served as Mayor of Connecticut's Capital City, over \$20 million in budget deficits have been resolved and I remain committed to continuing to reduce the overall tax burden while maintaining — and in some cases enhancing — the delivery of essential services that all Hartford taxpayers need and deserve.

This bill, H.B. 5160, is a collaborative effort between Representative Matt Ritter and my staff. I want to recognize Rep. Ritter for his leadership on this matter and for his willingness to tackle the very difficult and detailed public policy issues that the City of Hartford must confront in order to move the city, the region and our state forward. Perhaps most important, this initiative would allow any municipality, should they choice to avail themselves of the option, one more tool to assist and promote the growth and expansion of small businesses. As we think about economic development and job creation, it is imperative that elected officials be innovative and creative about the ways to help and support small businesses – the Governor and General Assembly recognized this last fall with the passage of the "Jobs Bill" – and this bill is a natural extension of those efforts.

Thank you for the opportunity to offer testimony in support of H.B 5106. The City of Hartford urges your favorable consideration of this bill.



